

This Report will be made public on 2 February 2022



Report Number **A/21/25**

To: Council
Date: 10th February 2022
Status: Non Executive Decision
Head of Paid Service: Dr Susan Priest
Cabinet Member: Councillor David Monk, Council Leader

SUBJECT: SENIOR MANAGEMENT RESTRUCTURE

SUMMARY:

This report seeks the council's approval to meet the costs of the redundancy (of the post) of the Director of Transformation & Transition.

REASON FOR RECOMMENDATIONS:

The Director of Transformation and Transition post will be deleted from the structure with effect from 30th April 2022. Personnel committee has satisfied itself that the costs relate purely to the contractual obligations of the council when making a post redundant, and recommends that council agree the costs, as without council approval the redundancy cannot be actioned.

RECOMMENDATIONS

1. To receive and note Report A/21/25.
2. To approve the redundancy of the Director of Transformation and Transition with the associated costs to be funded through the use of flexible capital receipts and added to the Medium Term Capital Programme.

1. BACKGROUND

- 1.1 Personnel Committee considered the report (P/21/05) from the Head of Paid Service detailing that the fixed term post of Director of Transformation and Transition is due to be deleted and the post holder made redundant on 30th April 2022 in accordance with council procedures and the individual's contract of employment.

Report P/21/05 is attached as **Appendix 1**.

- 1.2 The committee sought reassurances relating to the proposals and detailed costs of taking the actions, and was satisfied that it is in line with previous decisions made, and in the council's interests to agree to the redundancy of this post.
- 1.3 Questions were asked about workload, the skills within the relevant teams who will be delivering the projects, contractual details relating to the proposals, plus the associated costs.

2. COSTS ASSOCIATED WITH THE REDUNDANCY

- 2.1 The redundancy payment is £23,568.78 and the estimate of the payment to be made to the Local Government Pension Scheme is £81,264.64. Therefore the total cost to the council is £104,833.42.

Guidance on the calculation of redundancy payments and the Local Government Pension Regulations are attached as **Appendix 2** to provide assurance to members that the amount stated above is not subject to any enhancements.

All accrued annual leave up to and including 30th April 2022 will be taken prior to the post holder being made redundant.

- 2.2 The key projects under the remit of this fixed term position have included:
- the Transformation Programme which has now concluded and moved into its Continuous Improvement stage following successful implementation across the council;
 - the transition from East Kent Housing to launching our internal Housing Management Service in October 2020 which is now out of regulation;
 - Mountfield Road Phase 1 with council, partner and other grant funding investment to deliver flexible high quality business space which is now fully open with tenants, while opening up Phase 2 of the Mountfield site using government grant funding to allow the council to bring forward the employment land, or to secure other council investment;
 - Princes Parade overall senior level project direction to progress decisions of the council; and
 - Civic Centre relocation to Otterpool Park which, following in principle decisions made by members, needs to move to more detailed surveying and estates input.

As a result it is proposed that the role of Director of Transformation and Transition be deleted with effect from 30th April 2022. The costs of the redundancy can be recovered within 12 months.

- 2.3 Under the annually approved Pay Policy Statement there is a requirement to offer full council the opportunity to vote on severance packages which are greater than £100,000. In this particular instance the severance comprises redundancy (to be paid to the employee) and pensions costs (to be paid to the Local Government Pension Scheme).

3. LEGAL / FINANCIAL AND OTHER CONTROLS / POLICY MATTERS

3.1 Legal Officer's Comments (AK)

The legal position is set out within the main body of this report.

3.2 Finance Officer's Comments (CS)

The financial costs associated with this report will be met from available Flexible Capital Receipts as the post has been deleted as a result of the Council's transformation programme. These funds will be made available in 2022/23 through the budget setting process.

3.3 Diversities and Equalities Implications (ASm)

There are no specific diversities and equalities implications arising from this report.

4. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer(s) prior to the meeting:

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Andrina Smith, Head of Human Resources
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The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1: Personnel Committee Report dated 20th January 2022 (P/21/05)
Appendix 2: Guidance Notes: calculating redundancy payments and the Local Government Pension Scheme regulations